been constructed as per Bureau of Indian Standards norms in regard to earthquake resistant technologies. It is therefore difficult to give a categorical answer.

(c) The provisions of National Building Code being advisory and recommendatory in nature, and housing being a State subject, it would not be possible for the Central Government to enforce them compulsorily. However the Central Government has already requested all the State Governments to make suitable amendments in their building bye laws to incorporate earthquake resistant technologies and structural safety aspects so as to ensure that all buildings which are constructed in future, are constructed as per these norms and the already existing buildings get retrofitted/strengthened. The matter is being followed up vigorously with the State Governments.

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*334. MISS MABEL REBELLO:
SHRI BALWANT SINGH RAMOOWALIA:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have done any valuation of Air India and Indian Airlines;

(b) if so, its methodology and the rationale to arrive at the stipulated valuation figure;

(c) if no valuation has been done so far, whether Government propose to finalise disinvestment of the above two national carriers;

(d) if so, at what face value and the minimum price acceptable to Government; and

(e) why should not Government submit the disinvestment proposal of the above two national carriers to the Select Committee of Parliament for scrutiny for the sake of transparency?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Not as yet, Sir.

(b) Does not arise.

(c) The process is in initial stages. The Government does not

intend to finalise disinvestment proposal in respect of any of its public sector undertakings including Air India or Indian Airlines without proper valuation of the Companies.

(d) In view of the reply to part (a), it is neither possible to state the minimum acceptable price, not would it be appropriate to reveal this prior to the finalisation of the transaction as that will enable bidders to bid less than they otherwise might.

(e) The Government of India is carrying out disinvestment in its public sector undertakings (PSUs) in accordance with the prescribed procedure that ensures complete transparency. The procedure is reviewed from time to time and modified with a view to accelerating the process further. At Present, the following procedure is being followed:

*Proposals for disinvestment in any PSU, based on the recommendations of the Disinvestment Commission or in accordance with the declared Disinvestment Policy of the Government, are placed for consideration of the Cabinet Committee on Disinvestment (CCD)

*After CCD clears the disinvestment proposal, selection of the Advisors for assisting in the implementation of the disinvestment decision, is done through a competitive bidding process.

*The Advisors assist the Government in preparation and issue of advertisement in leading newspapers, for inviting Expression of Interest (EOI) from Prospective strategic Partners. In cases of urgency, EOI is prepared by Department of Disinvestment and issued after approval of Inter-Ministerial Group (IMG).

*After receipt of the EOI, Prospective Bidders are short listed, based on objective screening in the light of the announced pre-qualification criteria/requirements.

*The advisors, after due diligence of the PSU, prepare the Information Memorandum in consultation with the concerned PSU. This is given to the short listed Prospective Bidders, who have entered into a Confidentiality Agreement.

*The draft Share Purchase agreement or the Shareholder

Agreement are also prepared by the Advisors, with the help of the Legal Advisors, and given to the Prospective Bidders for eliciting their reaction.

*The Prospective Bidders undertake due diligence of the PSU and hold discussions with the Advisors/the Government/the representatives of the PSU for any clarifications.

*Concurrently, the task of valuation of the PSU is undertaken in accordance with the standard national and international practices.

*Based on the reactions received from the Prospective Bidders, the Share Purchase Agreement and Shareholders Agreement are finalised and after vetting by the Ministry of Law, they are approved by the Government. Thereafter, they are sent to the Prospective Bidders for inviting the final binding bids (Technical and Financial).

*After examination, analysis and evaluation of the bids, the recommendations of the Inter Ministerial Group (IMG) are placed before the CCD for a final decision regarding selection of the Strategic Partner, signing of the Share Purchase or Shareholders Agreements and other ancillary issues.

*In the disinvestment process mentioned above, Department of Disinvestment is assisted at each stage by an Inter Ministerial Group (IMG) comprising officers from the Ministry of Finance, Department of Public Enterprises, the Administrative Ministry/ Department controlling the PSU, apart from the officers of the Department of Disinvestment and the Advisors.

*After the transaction is completed, all papers and documents relating to it shall be turned over the Comptroller and Auditor General of India; the CAG shall prepare an evaluation for sending to Parliament and releasing to the public.

In view of the procedure outlined above, there is no proposal to submit the cases of disinvestment in Air India and Indian Airlines before the Select Committee of Parliament.